

MINUTES OF THE  
REGULAR MEETING OF THE COMMON  
COUNCIL OF THE TOWN OF STAR VALLEY

**Tuesday, June 21, 2011 @ 6:30 pm**  
**3675 East Highway 260, Star Valley, AZ**  
**(Star Valley Town Hall)**

The Agenda for the meeting is as follows:

- CALL TO ORDER
- Prayer was offered by Pastor Gary Bowser of Star Valley Baptist Church
- PLEDGE OF ALLEGIANCE
- ROLL CALL:

Mayor Rappaport X, Vice-Mayor Newland X, Council Member Hartwell X, Council Member Binney X, Council Member Coon X, Council Member Leis X, Council Member Henderson X.

- **GILA COUNTY SHERIFF'S OFFICE REPORT FOR MAY, 2011**

Patrol Sergeant David Hornung of the Gila County Sheriff's Office gave the Sheriff's Report for May, 2011.

- **CONSENT AGENDA ITEMS:**

All items listed under the Consent Agenda will be voted on with one motion. If discussion is desired regarding any Consent Agenda item, that item will be removed from the Consent Agenda and voted on separately.

**A. Approval of the minutes from the Regular Council meeting held on June 7, 2011.**

**B. Approval of Claims Payable from June 1, 2011 through June 15, 2011.**

With reference to the Claims Payable report, Council Member Leis pointed out that the contribution to the Payson Rodeo Committee is stated as being \$9.00, but it actually should be \$900.00. The Town Financial Administrator is making this correction.

**A motion to approve consent agenda items A and B, with the correction of the contribution to the Payson Rodeo Committee being \$900.00, was made by Council Member Leis, and was seconded by Council Member Hartwell.**

**A roll call was taken:**

**Mayor Rappaport X, Vice-Mayor Newland X, Council Member Hartwell X, Council Member Binney X, Council Member Coon X, Council Member Leis X, Council Member Henderson X.  
The motion was voted on and passed 7-0.**

- **DISCUSSION ITEMS:**

1. **Discussion and possible action regarding authorizing the Town Manager to enter into negotiations to purchase three wells from the Town of Payson. Water Attorney Karen Nally will make presentation.**

Town Manager Grier stated the Council had just concluded a Work Study Meeting concerning water issues in the Town, and at this meeting can now decide whether or not to take action, and can continue with well purchase discussions if they feel more discussion is needed. Mr. Grier pointed out that Water Attorney Karen Nally was present to answer questions. Mr. Grier also pointed out that the aquifer assessment would be put on the agenda for a future Council meeting.

Council Member Binney stated that if a condemnation action becomes necessary to transport water from the subject wells, that he personally would “never vote to condemn a man’s land if he won’t let us across it”. Mr. Binney also raised the question of why the Town would buy these wells if there isn’t access to them.

Mayor Rappaport responded that approximately 6 months ago the water was off in the Knolls area for several days; he received numerous calls from affected residents; and could get no response from Brooks Utilities. Mayor Rappaport stated he was not going to be put in this position again; it is time to do something about the water problem; and purchasing these wells and putting them into inventory “is key”. Mayor Rappaport stated he also believes that “if push came to shove” in an emergency they could transport water from these wells. Council Member Binney pointed out that the Town cannot distribute the water (due to Brooks’ CC&Ns). Council Member Coon agreed that these wells are land locked; and he pointed out that he believes the wells are 150gallons a minute, that two of them are close together, and he sees no “advantage to buying wells just to say we have them”. Mr. Coon said he does not think the Council should be spending Town money in this manner.

Council Member Hartwell asked what the alternative is for emergency purposes. Council Member Coon replied he does not know, but that he does not believe purchasing the wells is the only alternative.

Water Attorney Karen Nally stated if the Town could pump water from a well within the CC&N to an area outside the CC&N, then water could be distributed to that area. She cautioned that they would still have to deal with easements, etc. The water could not be distributed to an area inside the CC&N.

Council Member Hartwell asked if the water could be pumped to a storage facility and be available for emergency purposes. Council Member Coon stated it would cost \$1.00 per gallon.

Gary Hatch, Chief of the Hellsgate Fire Department, stated the Fire District has dealt with issues relating to fire and fire hydrants. Chief Hatch states he agrees that buying the wells without a distribution service is useless. It was his suggestion that they buy the water system first, and then expand the system to cover the areas, and then can put in storage tanks. He cautioned against thinking they can transport the water out via truck as this would require access across private property. He recommended the Town built a foundation first and then work on providing the service.

Water Attorney Nally stated she wanted to present some other issues for the Council to take into consideration. Attorney Nally stated she attended a meeting with the Town of Payson and that it is Payson’s position it can still pump the wells; it can sell these wells to a developer. Attorney Nally pointed out that no one knows what is going to happen in the future concerning private property rights or the demand for the water in these wells; that the possibility exists the water could be sold to a developer or private water company. Attorney Nally stated she was not making a recommendation to buy or not buy the wells, her purpose is to inform the Council of possibilities.

Council Member Coon suggested they look at Preacher Canyon; Council Member Leis stated it was not available; and Council Member Coon stated they “should look somewhere else”. Council Member Leis stated two ADOT wells “may become available”.

Council Member Hartwell suggested the Council table this issue and have the committees investigate further to find out what can be done as quickly as possible. Council Member Binney said he was still interested in the possibility of purchasing these wells, but needs to know “the magic source” referred to by Council Member Leis to get the water out.

**A motion to authorize the Town Manager and the Star Valley Town Council to proceed to negotiate the purchase of the three wells in their entirety (cost, volume, restrictions with or without all the “bells and whistles”), and present same to the Council for review was made by Council Member Leis, and was seconded by Council Member Binney.**

**The motion was voted on and passed 6-0, with one nay by Council Member Coon.**

**2. Discussion and possible action to select engineering firm to draft the fire hydrant plan. Cindy Schofield of CAAG to make presentation.**

Cindy Schofield stated the master fire hydrant plan and the water distribution system network hydraulic model had been put out to bid; Statements of Qualification were received from Tetra Tech, Willdan, and Sunrise; these three bids were reviewed and scored, and Tetra Tech came in with the highest score of 268. Ms. Schofield stated the recommendation from the bid review committee was Tetra Tech.

**A motion to accept the bid submitted by Tetra Tech and to proceed with the engineering work was made by Council Member Leis, and was seconded by Council Member Henderson.**

**The motion was voted on and passed 7-0.**

**3. Status report of Town Hall ADA compliance project. Discussion and possible action to authorize use of remaining CDBG 2009/2010 grant monies for water engineering plan. Cindy Schofield of CAAG to make presentation.**

Ms. Schofield stated the grant for this project was written in 2009/2010, and it was funded in 2011. There were two projects – the ADA compliance project and the fire hydrant project, and certain amounts of money assigned to each project, and the award was given “in that fashion”. Then it was discovered that the proposed fire hydrants did not have water available to them, so the \$30,000 designated for purchase of fire hydrants and applied it to the ADA project. Subsequently a water source has become available so the request now is to “take back” the \$30,000 and reapply it to the fire hydrant project. Ms. Schofield stated at present the Arizona Department of Housing is insisting the \$30,000 go towards ADA, and that it will not change the distribution. Ms. Schofield stated she has conferred with Council Member Leis and they are considering going to the Department of Housing and present the case in person for the \$30,000 to be reapplied to the fire hydrant project. Ms. Schofield stated that the original amount awarded to the ADA project was \$55,387, and the Department of Housing is concerned that this will not cover the entire ADA project. Ms. Schofield stated she had a discussion with Joe Janusz, the Town Building Inspector, and they have discussed the possibility of putting in a closed lift rather than an open lift and while this is more advantageous it will add to the cost of the project. Ms. Schofield suggested that the Council consider completing the ADA project and if there is any money left over then that money be allocated to the fire hydrant project.

Council Member Leis stated that he had asked Tetra Tech if it could do the water domestic study and the fire hydrant study simultaneously, which would result with a master water plan for the Town. Mr. Leis stated he did not know what this would cost, but it would provide “a complete package for all the water requirements” and it would tell everything except where to get the water. Mr. Leis provided a written statement outlining this proposal for review by the Council. He further stated that if there is any residual money from the ADA project if that money would be enough to cover one or both of these studies. Mr. Leis was adamant in his position that the Town use all of the CDBG monies in some manner and not return any of the money to the State. Ms. Schofield stated that it was the position of CAAG that it would do whatever it could to help the Town find the necessary funding.

Town Manager Grier pointed out the need for an engineering study in order to determine where the Town needs place the infrastructure and where the well placement should be. It was his

recommendation that any money left over from the ADA project should be applied to the water study. Mr. Grier stated they are almost ready to start on the ADA project and that the soil testing was scheduled within the next two days.

Council Member Binney raised the question of who the water distribution system was being designed for – the Town or Brooks Utilities, as the Town is restricted by the CC&Ns. Town Manager Grier stated that the Council has to find direction and needs to consider whether it can rely on Hardcastle to continue to be an adequate water provider, and also consider how fragile Payson Water Company is. Mr. Grier pointed out that the CC&Ns are an issue only to the point where Hardcastle fails to perform, and that the Council needs to consider having something in place in the event Hardcastle does fail to perform.

Council Member Binney asked Garrett of Tetra Tech if it was his intent to create the water system to incorporate Hardcastle's. Garrett responded that the scope prepared does take into consideration the information Tetra Tech has of Hardcastle's system. Mr. Binney pointed out that the only people affected by Hardcastle's failure to perform would be his customers; and that the rest of the Town has private wells. Garrett explained that his design looked at the Town as a whole, including the areas within and without the CC&Ns. Mr. Garrett explained that if the Town does not have an overall plan of how it wants the system developed then it will end up with a "hodgepodge" and may well end up with another water company of companies such as Payson Water Company.

After further discussion, it was the consensus of the Council that if there is leftover money from the ADA project that it be utilized for the proposed water study.

**4. Discussion and possible action to finalize arrangements and payment of 2011 League of Arizona Cities and Towns, including which Council members are attending, expenses paid by Town, per diem, and travel accommodations.**

Lois Johnson, Town Clerk, stated that the 2011 League of Arizona Cities and Towns Annual Conference will be held in Tucson on August 30<sup>th</sup> to September 2<sup>nd</sup>. Ms. Johnson stated all the Council members (except George Binney, who had indicated he is not attending) had been registered for the Conference and hotel reservations have been made. Ms. Johnson explained what the registration covered and what was not covered for spouses/significant others. Ms. Johnson pointed out that the Town's per diem is \$40.00 per day. Ms. Johnson also stated travel arrangements need to be made, although this may be a little early for this decision. She pointed out that the Town has three vehicles available which could transport 10 to 11 people. Ms. Johnson stated there is no firm policy in place and therefore the questions she needed answered by the Council were: (1) Who is going to the Conference; (2) Who is responsible for spouse/significant others for Governor Lunch and League Dinner; (3) Will the Council approve per diem even though a meal is provided in the registration; and (4) How are travel accommodations going to be handled?

First, it was determined that George Binney and Gary Coon would not be attending the Conference, and the other five members will be going.

Second, after discussion it was decided that spouse/significant other expenses would be paid for by the individual Council members.

Third, it was decided that no per diem would be paid for meals provided in the registration fee.

Fourth, it was decided that mileage would be paid for those driving personal vehicles to the Conference. Mayor Rappaport stated he would drive the Town Explorer and take his wife, and Vice-Mayor Newland and his wife.

**A motion that the Town pay for Council members attending the 2011 League of Arizona Cities and Towns Annual Conference but not spouses/significant others; that there would be no per diem for**

**meals provided in the registration; and that mileage would be paid, but the Town vehicles would be utilized first was made by Council Member Binney, and was seconded by Council Member Leis. The motion was voted on and passed 7-0.**

- **COMMENTS FROM THE PUBLIC:**

During this portion of the meeting, members of the public may address the Town Council on items that are not on the printed agenda. Any remarks shall be addressed to the Council as a whole and not to any individual member. Speakers are limited to three (3) minutes per person unless additional time is granted by the Mayor. The Council may not discuss or act upon matters raised during public comments.

Fred Horton stated his opinion that the Town needs to go into the water business; and elaborated on the poor manner in which Hardcastle is operating the water company. Mr. Horton pointed out that in the past the equipment has often been down and there were times they were without water.

Gary Hatch, Chief of the Hellsgate Fire Department, gave an update on the current fire condition – which he stated was horrible. Chief Hatch assured that there are local resources available to fight fires and that since some of the local units are fighting fires elsewhere in the state other units have been brought in to the Payson area. He cautioned that there is a long ways to go in the current fire season. Chief Hatch gave credit to Firewise and how it has helped keep the loss of homes down in the current fire areas. Chief Hatch supported the Town’s efforts to obtain a water system. Chief Hatch stated the forest is currently in a modified closure and that patrols would be starting within the week.

- **ADJOURNMENT**

**A motion to adjourn the meeting was made by Council Member Leis, and was seconded by Council Member Henderson.**

**The motion was voted on and passed 7-0.**

**APPROVED:**

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**William S. Rappaport, Mayor**

**Date:** \_\_\_\_\_

**ATTEST:**

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**Lois V. Johnson, Town Clerk**

**CERTIFICATION:**

**I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the regular meeting of the Town Council of the Town of Star Valley held on the 21<sup>st</sup> day of June, 2011. I further certify that the meeting was duly called and held, and that a quorum was present.**

**Dated this 30<sup>th</sup> day of June, 2011.**

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**Lois V. Johnson, Town Clerk**